

**Assembly Bill No. 1500**

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Passed the Assembly    September 2, 1999

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*Chief Clerk of the Assembly*

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Passed the Senate    August 31, 1999

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*Secretary of the Senate*

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This bill was received by the Governor this \_\_\_\_\_ day  
of \_\_\_\_\_, 1999, at \_\_\_\_\_ o'clock \_\_\_\_M.

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*Private Secretary of the Governor*

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## CHAPTER \_\_\_\_\_

An act to amend Section 16500.5 of the Welfare and Institutions Code, relating to public social services, and declaring the urgency thereof, to take effect immediately.

## LEGISLATIVE COUNSEL'S DIGEST

AB 1500, Wesson. Family preservation services.

Existing law permits each county to establish a family preservation services program for children in foster care.

This bill would require that contracts for these services be governed by applicable state and federal law. The bill would, until January 1, 2006, permit a contract originally obtained by bid to be renewed without rebidding if certain conditions are met.

This bill would declare that it is to take effect immediately as an urgency statute.

*The people of the State of California do enact as follows:*

SECTION 1. Section 16500.5 of the Welfare and Institutions Code is amended to read:

16500.5. (a) (1) The Legislature hereby declares its intent to encourage the continuity of the family unit by:

(A) (i) Providing family preservation services.

(ii) For purposes of this subdivision, "family preservation services" means intensive services for families whose children, without these services, would be subject to any of the following:

(I) Be at imminent risk of out-of-home placement.

(II) Remain in existing out-of-home placement for longer periods of time.

(III) Be placed in a more restrictive out-of-home placement.

(B) Providing supportive services for those children within the meaning of Sections 360, 361, and 364 when they are returned to the family unit or when a minor will



probably soon be within the jurisdiction of the juvenile court pursuant to Section 301.

(C) Providing counseling and family support services designed to eradicate the situation that necessitated intervention.

(2) The Legislature finds that maintaining abused and neglected children in foster care grows increasingly costly each year, and that adequate funding for family services which might enable these children to remain in their homes is not as readily available as funding for foster care placement.

(3) The Legislature further finds that other state bodies have addressed this problem through various systems of flexible reimbursement in child welfare programs that provide for more intensive and appropriate services to prevent foster care placement or significantly reduce the length of stay in foster care.

(4) Accordingly, it is the intent of the Legislature in enacting this section to establish a system of flexible reimbursement in order to evaluate its potential as an efficient, economical, and effective alternative to out-of-home placement of children.

(b) It is the intent of the Legislature that family preservation and support services in California conform to the federal definitions contained in Section 431 of the Social Security Act as contained in Public Law 103-66, the Omnibus Budget Reconciliation Act of 1993. The Legislature finds and declares that California's existing family preservation programs meet the intent of this new federal initiative.

(c) (1) (A) (i) Any county, subject to the approval of the State Department of Social Services, may claim, on an annual basis, a portion of the state's share, and to the extent permitted, the federal share, of that county's AFDC-FC expenditures pursuant to subdivision (d) of Section 11450 for children subject to Sections 300, 301, 360, 361, and 364, in advance, provided the county conducts a program of family reunification and family maintenance services for families receiving these services pursuant to Sections 300, 301, 360, 364, and, as permitted by the

department, children subject to Sections 601, 602, 726, and 727 of this code, and Section 7572.5 of the Government Code.

(ii) The department or a participating county may terminate a county's participation in the program upon 30 days' notice if the project is deemed unsuccessful by either party.

(iii) For each fiscal year of the program, a participating county may claim in advance an amount not to exceed an actual dollar amount that shall not exceed 25 percent of the state's share, and to the extent permitted, the federal share, of AFDC-FC funds to be expended by that county pursuant to subdivision (d) of Section 11450 for children subject to Sections 300, 301, 360, 361, and 364, and if permitted by the department, Sections 601, 602, 726, and 727, calculated for the first year of the project.

(iv) The amount of funds to be advanced annually shall be calculated at the beginning of the county's program described in this subdivision. The advance shall be determined by projecting the state share of AFDC-FC General Fund expenditures, and to the extent permitted, the federal share of AFDC-FC expenditures for abused or neglected children pursuant to Sections 300, 301, 360, 361, 364, and, if permitted by the department, Sections 601, 602, 726, and 727, based upon state, and to the extent permitted, federal expenditures for AFDC-FC for the previous five years.

(B) Except as provided in subparagraph (C), if the county's total AFDC-FC General Fund expenditures and, to the extent permitted by federal law, the federal share of AFDC-FC expenditures, added to the amount expended from the advance to the county exceeds, by more than 5 percent, the county's total projected AFDC-FC General Fund expenditures and, to the extent permitted by federal law, the federal share of AFDC-FC expenditures for that fiscal year, the county shall fund that portion of the overage in excess of 5 percent on a 100-percent basis. If the sum of a participating county's total AFDC-FC General Fund expenditures and, to the extent permitted by federal law, the federal share of



AFDC-FC expenditures for their children, added to the amount expended from the advance to the county, is less than the total projected AFDC-FC General Fund expenditures and, to the extent permitted by federal law, the federal share of AFDC-FC expenditures for their children for that fiscal year, the county shall receive 25 percent of the amount of the savings.

(C) (i) A participating county's share of expenditures in excess of the projected total may be reduced upon approval of the department. In determining this reduction, the department shall consider the increase in foster care placements of children in the homes of relatives as provided in Sections 361.3 and 16501.1, and in Section 505 of the Personal Responsibility and Work Opportunity Reconciliation Act of 1996 (P.L. 104-193; 42 U.S.C.A. Sec. 671(a)), which result in higher than projected AFDC-FC expenditures for children described in subparagraph (A). In considering the increase in relative foster care placements, the department shall adjust the total to consider only those children whose families have no history of receiving family preservation services.

(ii) This subparagraph shall become inoperative on the date that the director executes a declaration, which shall be retained by the director, specifying that the department has established a kinship care program that is separate and distinct from the existing foster care program and that provides services uniquely suited to the needs of children being cared for by their kin, or on January 1, 2002, whichever is earlier.

(2) Services which may be provided under this program may include, but are not limited to, counseling, mental health treatment and substance abuse treatment services, parenting, respite, day treatment, transportation, homemaking, and family support services. Each county that chooses to provide mental health treatment and substance abuse treatment shall identify and develop these services in consultation with county mental health treatment and substance abuse treatment agencies. Additional services may include



those enumerated in Sections 16506 and 16507. The services to be provided pursuant to this section may be determined by each participating county. Each county may contract with individuals and organizations for services to be provided pursuant to this section. The contract shall contain all provisions required by state and federal law and regulation. Each county shall utilize available private nonprofit resources in the county prior to developing new county-operated resources when these private nonprofit resources are of at least equal quality and costs as county-operated resources and shall utilize available county resources of at least equal quality and cost prior to new private nonprofit resources.

(3) (A) A contract for the services specified in paragraph (2) shall be solicited in a manner, and for a term, consistent with the county's own procurement policies, provided that the procurements conform to applicable federal law and the standards identified in applicable federal regulation. A contract originally obtained by bid may be renewed without rebidding, consistent with the county's own procurement policies for contract renewal, when the county's board of supervisors certifies all of the following:

(i) The program resources are allocated geographically, based on a needs assessment that includes considerations specified in paragraph (4) and is completed within two years of the contract's renewal.

(ii) Services are provided by a network of organizations.

(iii) Family preservation services are provided proportionately to those areas having greatest need for the services and the contractors and subcontractors are based in the communities in which they provide service.

(iv) The county regularly verifies program compliance and outcomes.

(v) A rebidding process would result in severe disruption of services to children and families.

(vi) Each agency meets the standards set out for the program in each county as provided in paragraph (7).



(B) A county whose contracts are renewed without rebidding shall provide to the department the documentation upon which the county's board of supervisors' certification is based as specified in subparagraph (A). Notwithstanding any other provision of this subdivision, a county shall not be permitted to renew any contract under this subdivision without rebidding the contract if doing so would jeopardize federal financial participation.

(C) This paragraph shall be operative only until January 1, 2006, and as of that date shall become inoperative, unless a later enacted statute, that is enacted before January 1, 2006, deletes or extends that date.

(4) Participating counties authorized by this subdivision shall provide specific programs of direct services based on individual family needs as reflected in the service plans to families of the following:

(A) Children who are dependent children not taken from physical custody of their parents or guardians pursuant to Section 364.

(B) Children who are dependent children removed from the physical custody of their parents or guardians pursuant to Section 361.

(C) Children who it is determined will probably soon be within the jurisdiction of the juvenile court pursuant to Section 301.

(D) Upon approval of the department, children who have been adjudged wards of the court pursuant to Sections 601 and 602.

(E) Upon approval of the department, families of children subject to Sections 726 and 727.

(F) Upon approval of the department, children who are determined to require out-of-home placement pursuant to Section 7572.5 of the Government Code.

(5) The services shall only be provided to families whose children will be placed in out-of-home care without the provision of services or to children who can be returned to their families with the provision of services.

(6) The services selected by any participating county shall be reasonable and meritorious and shall demonstrate cost effectiveness and success at avoiding out-of-home placement, or reducing the length of stay in out-of-home placement. A county shall not expend more funds for services under this subdivision than that amount which would be expended for placement in out-of-home care.

(7) The program in each county shall be deemed successful if it meets the following standards:

(A) Enables families to resolve their own problems, effectively utilize service systems, and advocate for their children in educational and social agencies.

(B) Enhancing family functioning by building on family strengths.

(C) At least 75 percent of the children receiving services remain in their own home for six months after termination of services.

(D) During the first year after services are terminated:

(i) At least 60 percent of the children receiving services remain at home one year after services are terminated.

(ii) The average length of stay in out-of-home care of children selected to receive services who have already been removed from their home and placed in out-of-home care is 50 percent less than the average length of stay in out-of-home care of children who do not receive program services.

(E) Two years after the termination of family preservation services:

(i) The average length of out-of-home stay of children selected to receive services under this section who, at the time of selection, are in out-of-home care, is 50 percent less than the average length of stay in out-of-home care for children in out-of-home care who do not receive services pursuant to this section.

(ii) At least 60 percent of the children who were returned home pursuant to this section remain at home.





(8) Funds used for services provided under this section shall supplement, not supplant, child welfare services funds available for services pursuant to Sections 16506 and 16507.

(9) Each county participating in the program authorized by this section shall only continue to utilize the advance fund-claiming mechanism specified in paragraph (1) if the department finds the county has demonstrated the successful outcome of the county program, based on the criteria for success specified in paragraph (7).

(10) The department shall submit a report to the Legislature that includes data from each participating county demonstrating to what extent each has met the criteria specified in this section. An interim report shall be submitted by the department no later than six months after the conclusion of the three pilot projects with a final report to be submitted after pilot project completion. Programs authorized after the original pilot projects shall submit data to the department upon the department's request. Subsequent reports to the Legislature on the programs administered pursuant to this section shall be included with the child welfare system report to the Legislature.

(d) (1) A county welfare department social worker or probation officer may, pursuant to an appropriate court order, return a dependent minor or ward of the court removed from the home pursuant to Section 361 to his or her home, with appropriate interagency family preservation program services.

(2) The county probation department may, with the approval of the State Department of Social Services, through an interagency agreement with the county welfare department, refer cases to the county welfare department for the direct provision of services under this subdivision.

(e) State foster care funds shall remain within the administrative authority of the county welfare department and shall be used only for placement services or placement prevention services or county welfare

department administrative cost related to the interagency family preservation program.

(f) To the extent permitted by federal law, any federal funds provided for services to families and children may be utilized for the purposes of this section.

(g) A county may establish family preservation programs that serve one or more geographic areas of the county, subject to the approval of the State Department of Social Services.

SEC. 2. This act is an urgency statute necessary for the immediate preservation of the public peace, health, or safety within the meaning of Article IV of the Constitution and shall go into immediate effect. The facts constituting the necessity are:

In order that the rebidding of family preservation subcontracts may be accomplished by July 1, 1999, and to permit the continuation of these valuable programs without interruption, it is necessary that this act take effect immediately.



Approved \_\_\_\_\_, 1999

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*Governor*

